

**Department of  
Veterans Affairs**

# Memorandum

Date: APR 9 2003

From: Deputy Under Secretary for Health for Operations and Management (10N)

Subj: Billing for In-House Treatment of Work Related Injuries

To: Network Directors

1. Veterans Health Administration (VHA) strongly supports programs designed to reduce injuries and costs associated with work-related injuries. However, some practices and activities may obscure injury reporting and the associated costs. Accuracy in reporting the prevalence of on the job injuries and illnesses is a cornerstone of the safety program. It is the basis for planning and allocation of resources aimed at reducing future incidents and for planning programs. Under reporting interferes with effective program planning.

2. About 70 percent of injuries that occur in the workplace in VHA do not become workers' compensation claims. Of those incidents that do produce claims, the majority produce few or no compensation or medical costs. Reporting those incidents remains important, as the risk factors for those incidents are similar to those with lost time (see VA Directive 2002-032, attached). In the private sector between 75 and 85 percent of work-related injuries do not lead to the filing of claims, for a broad range of reasons. Fear of reprisal and discrimination is one reason. Creating a climate that supports both the reporting of injuries and the filing of claims is essential to ensure employee rights and appropriate benefits. It is imperative that no actions discourage employees from filing claims.

3. Within VHA about 30 percent of injuries lead to the filing of claims. The use of Occupational Health clinical services to address those claims entails a cost. Preventive services in Occupational Health are authorized under section USC 7091. Funding for clinical services is provided by the Department of Labor (DOL) through the Employment Standards Administration. Sums paid for services are negotiated through an Interagency Agreement at the Office of Personnel Management. Bills for clinical services should be submitted within the month to DOL at the interagency rate (currently \$210.00 per visit) (see VA Directive 99-050, attached). Facilities should ensure that these funds are used appropriately to support the delivered services. Employee compensation is paid directly through DOL. DOL receives the monies back through the chargeback process with a two-year delay. When accomplished appropriately, this program supports both employee needs and those of the medical centers.

4. It is the responsibility of appropriate management officials in VHA to:

- a. Ensure that all employees are adequately informed of their workers' compensation program rights.
- b. Guarantee appropriate billing for treatment of injured workers at VHA Facilities, as appropriate, and as outlined in VA Directive 5810 (Attached).
- c. Provide Continuation of Pay benefits in accordance with regulations.

5. Circumvention of the billing process for work-related injuries treated in VHA facilities constitutes a misuse of appropriated funds. It also prevents, in the long run, the effectiveness and efficacy of the treatments provided. Occupational Health units serve a purpose. The billing process developed to meet the Federal Employee's Compensation Act requirements provides reimbursement to facilities within the same fiscal year. If billing occurs appropriately, there is no financial penalty to facilities. Please use the attached guidelines to develop an appropriate mechanism for billing (see VA Directive 5810, attached).

6. This billing process is an element of the best practices available in administrative case management. A vast number of claims received by Office of Workers' Compensation Programs (OWCP) are initially accepted on the face of the submission and are not formally adjudicated unless certain criteria are met. Field personnel report difficulty in obtaining action on cases in which the employee may be on long term-limited duty. OWCP's own procedures read as follows:

"Cases closed short form will automatically be reopened if the medical bills exceed \$1500."


Appropriate billing for in-house care meets the legal obligations of using appropriated funds for treatment of work-related conditions, and also quickly brings cases to the threshold for full review. At the current interagency rates, six to seven billable in-house visits will put such cases in line for review by OWCP.

7. In order to enhance the utility of the information systems employed in workers' compensation case management, facilities are also directed to use their facility specific tax identification numbers. This will allow easy retrieval and analysis of costs generated by in-house treatment of work related conditions. The listing of tax identification numbers is included in Attachment B.

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8. A sample facility billing procedure is attached for your use and reference. Local policies and procedures may differ due to organizational needs (Attachment B).

9. If you have any questions, or require additional information, please contact Steven Sloane, Program Analyst, at 202-273-8459.



Laura J. Miller

Attachments:

VA Directive 5810:

[http://www.va.gov/pubs/directives/Human-Resources-Management-\(HR\)/5810dir.htm](http://www.va.gov/pubs/directives/Human-Resources-Management-(HR)/5810dir.htm)

VA Directive 2002-032: <http://vaww.va.gov/publ/direc/health/direct/12001032.pdf>

VHA Directive 99-050:

<http://vaww.va.gov/publ/direc/health/direct/199050.pdf>

Link to OWCP Home Page:

[http://www.dol.gov/esa/owcp\\_org.htm](http://www.dol.gov/esa/owcp_org.htm)

Sample Billing Procedure

## Attachment A:

VISN	Station	Facility Name	Fed tax id
1	402	Togus VAMC	018001944
1	405	White River Junction VAMC	030280256
19	436	Fort Harrison VAMC	810233748
13	437	Fargo VAMC	450226662
13	438	Sioux Falls VAMC	460227571
19	442	Cheyenne VAMC	830168494
21	459	Honolulu VAMC	990073396
4	460	Wilmington VAMC	510065004
20	463	Anchorage VAMC	920189513
18	501	Albuquerque VAMC	850416296
16	502	Alexandria VAMC	720411414
4	503	Altoona VAMC	251721021
18	504	Amariillo VAMC	751616212
11	506	Ann Arbor VAMC	383149486
7	508	Atlanta VAMC	580587213
7	509	Augusta VAMC	582089405
5	512	Baltimore VAMC	521855761
11	515	Battle Creek VAMC	383146294
8	516	Bay Pines VAMC	593206683
6	517	Beckley VAMC	550357746
1	518	Bedford VAMC	043214787
18	519	Big Spring VAMC	752510465
16	520	Biloxi VAMC	640836707
7	521	Birmingham VAMC	630810292
1	523	Boston VAMC	043211342
3	526	Bronx VAMC	237288797
2	528	Buffalo VAMC	161447141
2	528A5	Canandaigua VAMC	161446654
2	528A6	Bath VAMC	161472847
2	528A7	Syracuse VAMC	150619303
2	528A8	Albany VAMC	141339778
4	529	Butler VAMC	250975161
20	531	Boise VAMC	820465077
7	534	Charleston VAMC	570720016
12	537	Chicago West Side VAMC	363957782
10	538	Chillicothe VAMC	316014208
10	539	Cincinnati VAMC	310542398
4	540	Clarksburg VAMC	550362865
10	541	Cleveland VAMC	340715726
4	542	Coatesville VAMC	238014856
7	544	Columbia SC VAMC	570986980
8	546	Miami VAMC	650470225
8	548	West Palm Beach VAMC	593275434

17	549	Dallas VAMC	756108647
11	550	Danville VAMC	370662493
10	552	Dayton VAMC	310540155
11	553	Detroit VAMC	381358898
19	554	Denver VAMC	641247130
12	556	North Chicago VAMC	362171572
7	557	Dublin VAMC	582080668
6	558	Durham VAMC	561303855
3	561	East Orange VAMC	221526640
4	562	Erie VAMC	251715951
16	564	Fayetteville AR VAMC	710548518
6	565	Fayetteville NC VAMC	561932832
13	568	Fort Meade VAMC	460429218
21	570	Fresno VAMC	770356492
8	573	Gainesville VAMC	593209933
19	575	Grand Junction VAMC	840832294
12	578	Hines VAMC	363767770
16	580	Houston VAMC	760418077
9	581	Huntington VAMC	550357745
11	583	Indianapolis VAMC	351906280
12	585	Iron Mountain VAMC	381358898
16	588	Jackson VAMC	840836318
15	589	Kansas City VAMC	436173947
6	590	Hampton VAMC	541172096
22	593	Las Vegas VAMC	880438553
4	595	Lebanon VAMC	251752758
9	596	Lexington VAMC	610443527
16	598	Little Rock VAMC	710744870
22	600	Long Beach VAMC	330587175
9	603	Louisville VAMC	610990338
22	605	Loma Linda VAMC	953625072
12	607	Madison VAMC	390817515
1	608	Manchester VAMC	020222932
11	610	Northem Indiana VAMC	351516418
21	612	Martinez VAMC	942674840
5	613	Martinsburg VAMC	550357747
9	614	Memphis VAMC	620480254
13	618	Minneapolis VAMC	410696270
7	619	Montgomery VAMC	630288981
3	620	Montrose VAMC	141630103
9	621	Mountain Home VAMC	620478102
16	623	Muskogee VAMC	730766778
9	626	Nashville VAMC	620484828
18	629	New Orleans VAMC	720448791
3	630	New York VAMC	132972977
1	631	Northampton VAMC	043208311
3	632	Northport VAMC	112589323

16	635	Oklahoma City VAMC	731097102
14	636	Omaha VAMC	470376487
6	637	Asheville VAMC	581853237
21	640	Palo Alto VAMC	941179505
4	642	Philadelphia VAMC	232742804
18	644	Phoenix VAMC	800101019
4	646	Pittsburgh VAMC	251723192
20	648	Portland VAMC	931127631
18	649	Prescott VAMC	860098758
1	650	Providence VAMC	050474219
6	652	Richmond VAMC	540515611
20	653	Roseburg VAMC	931148588
21	654	Reno VAMC	880059762
11	655	Saginaw VAMC	382391420
13	656	St Cloud VAMC	411768149
15	657	St Louis VAMC	430687806
6	658	Salem VAMC	541691022
6	659	Salisbury VAMC	560564309
19	660	Salt Lake City VAMC	870372819
21	662	San Francisco VAMC	941160824
20	663	Seattle VAMC	910565166
22	664	San Diego VAMC	237262137
19	666	Sheridan VAMC	830168495
16	667	Shreveport VAMC	720423660
20	668	Spokane VAMC	911109753
17	671	San Antonio VAMC	742112082
8	672	San Juan VAMC	660386593
8	673	Tampa VAMC	593214855
17	674	Temple VAMC	742791419
12	676	Tomah VAMC	391765537
18	678	Tucson VAMC	860098757
7	679	Tuscaloosa VAMC	630297932
20	687	Walla Walla VAMC	911605622
5	688	Washington DC VAMC	521856279
1	689	West Haven VAMC	061379945
22	691	Los Angeles VAMC	953626252
20	692	White City VAMC	930788525
4	693	Wilkes Barre VAMC	240796250
12	695	Milwaukee VAMC	391326366
18	756	El Paso VAMC	742934770
10	757	Columbus VAMC	311278085

Attachment B:

**SAMPLE BILLING PROCEDURES FOR WORKERS'  
COMPENSATION CLAIMS AT THE VA**

1. The Occupational Health Clinic is responsible for documenting each employee visit that pertains to an on-the-job injury.
  - a. The Occupational Health Practitioner (OHP) conducts and documents the initial assessment/evaluation of any employee who reports a work-related injury. There is no charge for this visit. This represents an administrative activity appropriately journaled as authorized absence and not lost time.
  - b. Following a traumatic injury, (filing of a CA-1), if the employee selects the VA as their treating provider, the OHP authorizes appropriate treatments and consultations as deemed necessary. Employees are not permitted to elect treatment by the VA for occupational disease / illness, (filing of a CA-2, or CA-2a) claims until such claims are accepted. The first two visits are not billed to OWCP. Each succeeding visit becomes billable.
  - c. If a CA-2 or CA-2a claim is accepted and if the employee wishes to obtain their treatment, physical therapy, or tests such as MRI or EMG at the VA, such treatment is permitted and bills are sent to OWCP.
  - d. The Occupational Health Physician is responsible for co-signing all documentation made by the OHP on the injured employee. (OWCP only accepts documentation signed by a physician)
  - e. The chart will be reviewed by coding and CPT codes will be entered into PCE.
  - f. The Occupational Health clerk will enter each work-related injury into the computer and document it if the visit is 'billable' or 'not billable' based on the information provided by the OHP. This information will be entered into PCE/claims tracking.
  - g. At the end of each month the Occupational Health clerk gives the computer data to the Workers' Compensation Program Manager (WCPM)
2. The Workers' Compensation Program Manager
  - a. Reviews the computer printout for accuracy, i.e., some employees may be treated for more than one injury; others are simply dropping off documents from their personal physician which is not billable.
  - b. Clarifies any discrepancies with the OHP.
  - c. Writes the claim number and date of injury next to the employee's name.

- d. Gives completed list to the designated billers in the business office. Billers will use this as an identification tool
- e. Ensures that a copy of the completed bill is filed in the employees' compensation folder.

3. Business Office

- a. Human Resources will give the business office a CA-16 (Authorization for Examination and/or Treatment).
- b. Bills will be created using the interagency billing rates.
- c. Biller will utilize CPT codes in Vista to create a bill. Biller will ensure that no bills are created to any private health insurance. The billing form for these bills will be the one appropriate for the situation.
- d. List the name of the physician, not other provider, as the one providing care.
- e. Submit the bill to OWCP.
- f. A copy of the bill will be given the Workers' Compensation Program Manager.
- g. AR will perform follow-up with OWCP and ensure that reimbursement is at 100%.